

M/015/062

From: Tony Gallegos  
To: JCARTER, LBRAXTON  
Date: Friday, March 3, 1995 4:36 pm  
Subject: Pagano Clay Bond M/015/062

We received a replacement bond for the Pagano Clay project prior to the cancellation date on the existing bond. As a reminder - the existing surety company gave us 90 days notice & we notified the mine operator that a replacement bond would be needed. Due to an oversight, the replacement bond was not included in the February Board agenda, & consequently has not been formally accepted/signed by the Division or Board. This is a replacement bond only. The bond amount has not changed. The bond form has not changed. The mine site has not changed. The surety company has changed.

CAN THE DIVISION RELEASE THE EXISTING BOND PRIOR TO HAVING THE REPLACEMENT BOND SIGNED/ACCEPTED BY BOTH THE DIVISION & BOARD? CAN THE REPLACEMENT BOND BE ACCEPTED BY THE DIVISION & BOARD WITHOUT GOING THROUGH THE BOARD BRIEFING PROCESS? The old surety company has recently called asking about the status of the bond release. They sent a form which requires a Division signature acknowledging release. Please let me or Wayne know how to proceed. THANKS!

CC: WHEDBERG